

# The Conference Board MANAGEMENT RECORD

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## Unionizing Technical Workers

THE technical worker has been a target of the AFL and CIO and some independent unions since the early Thirties. But not more than 15,000 out of about 275,000 professional engineers, it is estimated, are now members of labor unions. Current interest by engineers, their employers, and engineering societies lies, therefore, in the possible strength of unionization should the movement gain momentum.

The National Labor Relations Board has held that professional employees can become part of a bargaining unit and receive protection of the Wagner Act. There may also be an implication that the number of organized professional workers could conceivably be greatly increased in Herbert R. Northrup's report<sup>1</sup> that the unionization of engineers, chemists and other professional workers in England, Sweden and Australia has grown to widespread proportions.

### NO COMMON AIM

Engineering societies seem to fear that in a majority of cases technologists have been brought into heterogeneous labor unions where their interests have not been capably promoted. A report<sup>2</sup> recently released indicates that some engineering workers have regretted their action in joining a labor union. The reason given is that "they find themselves out of sympathy with a number of the policies and methods being employed by CIO unions." Professional workers often object to being included in bargaining units

<sup>1</sup>"Unionization of Professional Engineers and Chemists," by Herbert R. Northrup, Industrial Relations Counselors, Inc., 1946.

<sup>2</sup>A paper prepared by Waldo E. Fisher, Professor of Industrial Relations at the University of Pennsylvania, and read before the Industrial Relations Section of the California Institute of Technology in August, 1946.

with nonprofessional employees, who, frequently outnumbering them, formulate policies considered detrimental to the professional worker. There seems to be a trend, therefore, for professional workers to ask the National Labor Relations Board to consider their group alone as a bargaining unit.

An outstanding spokesman for a chemical society has stated that the society would advise its members on how to preserve their professional status and would assist them to gain their rights to engage in collective bargaining under the National Labor Relations Act.

### LACK JOB SECURITY

Professional workers who have been spearheading the drive to secure collective-bargaining contracts covering conditions of employment and wages maintain they have been neglected by industry in its evaluation of wage patterns for them, and that they are lacking job security which the production line worker has secured through the establishment of a seniority pattern within the particular company.

The unions vary in their approach toward professional workers. They have not as yet been able to form sufficient legislative pressure to influence state and federal authorities in their behalf to the same extent that more established unions have. Yet the unions of professional workers in both the AFL and the CIO have on numerous occasions secured the support of other unions in their efforts to organize. In addition to collective-bargaining efforts, the CIO believes in intensive political action as a means of obtaining higher wages and seniority. The AFL relies upon orthodox collective-bargaining policies and economic strength.



Table 1: Clauses Affecting Wages and Hours in Contracts Covering Technical Employees

Type of Clause	Total	AFL	CIO	Independent
Number of agreements analyzed.....	12	3	5	4
Minimum wage established.....	10	2	5	3
Wage scale or rates specified in contract	8	1	5	2
Apprentice scale specified.....	2	..	..	2
Extra compensation for work on				
Second shift.....	2	..	..	2
Third shift.....	2	..	..	2
Higher wage prevails in case of temporary transfer to job with lower wage scale.....	2	1	1	..
Wage increase provided in agreement.	7	2	3	2
Existing wages to remain in force:				
Duration of agreement.....	1	..	..	1a
Increase possible during life of agreement				
Wage reopening clause.....	3	..	2b	1
Provisions for wage adjustment				
Automatic progression.....	4	..	3	1
By negotiation.....	1	..	..	1
Individual wage inequities to be adjusted locally.....	3	..	1	2
Regular working hours per day:				
7½ hours.....	2	..	2	..
7¾ hours.....	1	..	1	..
8 hours.....	5	3	1	1
Regular working hours per week:				
37½ hours.....	1	..	1	..
38¾ hours.....	1	..	1	..
40 hours.....	6	2	2	2
44 hours.....	1	..	..	1c
Days per week:				
5 days.....	8	2	3	3
Call-in Pay:				
Time for which wages are to be paid in case no work is available:				
1 hour.....	1	..	..	1
2 hours.....	1	..	..	1
Provisions made for merit plan.....	5	..	4	1
Job classification descriptions included in contract.....	8	1	5	2

aContract states that the company will voluntarily consider remedying of any great hardship caused its employees by drastic inflation or other similar circumstances.

bOne contract states that after three months the union may request negotiations on wages.

cContract specifies a 44-hour week for all salaried office employees.

Table 2: Union Functions and Responsibilities in Contracts Covering Technical Employees

Type of Clause	Total	AFL	CIO	Independent
Number of agreements analyzed.....	12	3	5	4
Union members not to coerce or solicit membership on company time.....	8	1	5	2
Union not allowed to transact union business on company time (excluding grievance procedure).....	3	..	1	2
Strikes prohibited.....	10	2	4	4
Transaction of union business permitted on company property.....	2	..	1a	1b
Union participation in:				
Job evaluation, classification, and rates.....	5	1c	3	1
Miscellaneous functions.....	1	..	1d	..

aThe union may collect dues on company property.

bUnion business, such as holding of elections, may be conducted on company property with consent of the company.

cContract specifies a joint-salary determination committee composed of one union and four management representatives.

dContract states that the union agrees to submit in writing recommendations for improving and increasing the production of the company.

Table 3: General Provisions of Union Contracts Covering Technical Employees

Type of Clause	Total	AFL	CIO	Independent
Number of agreements analyzed.....	12	3	5	4
Covers all eligible employees.....	11	2	5	4a
Not eligible:				
Supervisory employees.....	8	1	4	3
Confidential employees.....	5	1	2	2
Clerical employees.....	2	..	2	..
Maintenance and production.....	3	1	2	..
Miscellaneous workers.....	5	..	3	2
Duration of agreements without renewal clause:				
1 year.....	1	..	..	1
Initial period of agreements containing renewal provisions:				
Less than 1 year.....	2	..	1	1
1 year.....	8	2	4	2
More than 1 year.....	1	1	..	..
Renewal periods after initial period:				
Year to year.....	11	3	5	3
Period of notice of termination or desire for change:				
30 days.....	8	2	3	3
60 days.....	4	1	2	1

aOne contract covers all office, technical and restaurant employees.

Table 4: Absence Provisions in Contracts Covering Technical Employees

Type of Clause	Total	AFL	CIO	Independent
Number of agreements analyzed.....	12	3	5	4
Leave of absence periods without pay specified:				
2 weeks.....	1	..	1a	..
6 months.....	4b	1	3c	..
1 year.....	3	..	3def	..
Length of time not stated.....	7	3	2	2g
Annual absence payment for illness:				
5 days.....	1	..	..	1h
6 days.....	1	1	..	..
10 days.....	1	..	1i	..
12 days.....	1	..	1j	..
1 week.....	1	..	1k	..
15 days.....	1	1	..	..
25 days.....	1	..	1	..
Time not specified.....	4	1	1	2
Time off with pay for:				
Illness in family.....	3	1	1	1
Death in family or funeral attendance.....	4	1	1	2
Court appearance.....	1	..	1	..
Jury duty.....	3	1	1	1
To vote on election day.....	1	..	1	..
Necessary personal business or personal disaster.....	4	1	2	1

aContract grants union officials a leave of absence of 2 weeks for union conventions.

bThree contracts (1AFL-2CIO) grant leaves of absence of six months for pregnancy.

cOne contract grants a leave of absence of six months for pregnancy and also four weeks' pay if the employee has worked for one year or more.

dOne contract grants a leave of absence to union officials for one year which may be extended to two years.

eOne contract grants a leave of absence of one year for pregnancy.

fOne contract grants a leave of absence of one year for union officials.

gOne contract provides after one year's service, a union official may take a leave of absence (time not specified) for union business with no loss of seniority.

hOne contract provides for ten days' sick leave per year which may accrue to fifteen days.

iOne contract provides for ten days' sick leave per year at half pay, and two more days per year of service in excess of five.

jContract provides that each employee is entitled to twelve days' leave with pay per year—to be used as sick leave or vacation.

kContract gives one week's sick leave for one year of service, two weeks' sick leave for two years' service, etc. to five years' service. After five years of service, an employee is entitled to four weeks' full pay and one month at half pay.

Source for all tables in this article: National Industrial Conference Board



**Table 5: Miscellaneous Provisions in Contracts Covering Technical Employees**

Type of Clause	Total	AFL	CIO	Independent
Number of agreements analyzed.....	12	3	5	4
Severance pay.....	4	1	3	..
Pension funds.....	1	..	1	..
Group insurance.....	3	..	2	1
Patent protection provision.....	2	..	2	..

**Table 6: Apprentice Provisions in Contracts Covering Technical Employees**

Type of Clause	Total	AFL	CIO	Independent
Number of agreements analyzed.....	12	3	5	4
Number limited to a department				
According to size of the department.	1	..	..	1a
Not more than 10% of total in department.....	1	..	..	1

aContract states that if a department has from one to five members there shall be no more than two apprentices.

**Table 7: Grievance Procedure in Contracts Covering Technical Employees**

Type of Clause	Total	AFL	CIO	Independent
Number of agreements analyzed.....	12	3	5	4
Initial step in settlement of grievance				
Employee and supervisor.....	5	..	3	2
Union representative and supervisor	1	1	..	..
Employee and union representative jointly and supervisor.....	4	1	1	2
No definite provision.....	1	..	1	..
Agreements with provision for arbitration by impartial arbitrator or joint representative and arbitrator.....	12	3	5	4
No grievance procedure outlined, arbitration only form of procedure....	1	1	..	..
Arbitration award binding on both union and management.....	10	3	4	3
Expenses of arbitration to be shared jointly.....	1	1	..	..
Reinstatement with back pay if employee is discharged or suspended unjustly.....	3	2	1a	..
No suspension, stoppage or slowdown of work pending or during grievance or arbitration procedures.....	2	1	..	1
Discharge complaints must be taken up within:				
24 hours.....	1	..	..	1
2 days.....	1	..	1	..
3 days.....	2	1	1	..
5 days.....	2	1	..	1
10 days.....	2	..	1	1
Discharge complaints must be settled within 5 days.....	..	..	1	..
Union representative allowed time off for union business				
With pay.....	8	1e	1bd	2
Not stated in contract.....	4	2	1	1

aContract states that an employee will receive pay for time lost if discharged unjustly minus any earnings received from other sources.

bContract allows union representatives up to 2½ hours per week for adjusting grievances exclusive of meeting with management.

dOne contract will pay union representatives only if they obtain consent to conduct union business on company time.

eContract specifies that union representatives requested by the company to meet with it during the course of a work day shall be given time off with pay.

**Table 8: Clauses Affecting Daily Schedules in Contracts Covering Technical Employees**

Type of Clause	Total	AFL	CIO	Independent
Number of agreements analyzed.....	12	3	5	4
Week days				
Over 7½ hours—time and one-half.....	2	..	2	..
Over 7¾ hours—time and one-half.....	1	..	1a	..
Over 8 hours—time and one-half.....	8	2b	2	4cd
Saturdays				
Time and one-half.....	7	2b	2	3c
Sundays				
Double time.....	8	2b	3e	3c
Holidays				
Time and one-half.....	4	..	3	1
Double time.....	8	3b	2	3
Sixth day				
Time and one-half.....	1	..	..	1
Seventh consecutive day				
Double time.....	3	..	1	2
General statement of overtime, time and one-half.....	2	..	2	..
Hourly and weekly overtime not paid for same hours.....	2	..	2	..

aContract provides that all overtime after 9 hours shall be paid at double time.

bOne contract provides that overtime provisions do not apply to employees falling within the definition of professional employees as defined by the Fair Labor Standards Act.

cOne contract provides that work after 8 hours on the first and second shift shall be paid at time and one-half; work over 6 hours on the third shift shall be paid at time and one-half.

dOne contract states that salaried employees with base pay over \$300 a month shall be paid at \$3 an hour for all overtime.

eOne contract states that overtime provisions apply to employees up to \$450 base pay.

**Table 9: Management Functions and Responsibilities in Contracts Covering Technical Employees**

Type of Clause	Total	AFL	CIO	Independent
Number of agreements analyzed.....	12	3	5	4
Company provides bulletin boards for union notices.....	9	2	5	2
Regulations for industrial health and safety of employees.....	1	1	..	..
Lockouts prohibited.....	10	2	4	4
Company not to discriminate against the union or interfere with right of employee to join union.....	10	2	5	3
Right of appeal by employees concerning:				
Job classification, evaluation.....	4	1	2	1
Suspension.....	1	1	..	..
Discharge.....	8	2	3	3
Layoff.....	1	..	1	..

**Table 10: Union Security Clauses in Contracts Covering Technical Employees**

Type of Clause	Total	AFL	CIO	Independent
Number of agreements analyzed.....	12	3	5	4
Type of shop				
No union security clause.....	4	..	2	2
Union shop.....	4	2	1a	1
Membership-maintenance clause.....	4	1	2b	1
Preferential hiring.....	2	1	1c	..
Checkoff.....	3	..	2	1

aContract states that former employee veterans are not required to join the union for one year.

bOne contract specifies that at no time shall more than 35% of employees eligible for the bargaining unit be nonunion employees.

cContract states that the union will direct applicants who are qualified to the company, but the company reserves the right to be the sole judge.



The Organization of Technical Employees, a unit of the United Office and Professional Workers of America (CIO), in the February issue of its official voice, *Technical America*, opposes the drive to amend the Wagner Act. One reason for this is that all unions utilize the machinery of the NLRB in their efforts to obtain recognition as the proper bargaining unit. *Technical America* views with alarm the activities of professional societies which, it says, "have gone a long and dangerous way from their recognized function to promote scientific and technical information. Strong indeed is the feeling within the professions that the societies must stick to their recognized function, and that they should not and cannot cope with the problems of economic or professional status as they concern employees."

#### ANALYSES OF CONTRACTS

THE CONFERENCE BOARD has prepared analyses of twelve collective-bargaining agreements covering professional engineers—five with the CIO, three with the AFL, and four with independent unions. The bargaining units include architects, engineers, chemists and draftsman employed in a utility company, a radio

**Table 11: Seniority Provisions in Contracts Covering Technical Employees**

Type of Clause	Total	AFL	CIO	Independent
Number of agreements analyzed.....	12	3	5	4
Seniority basis				
Departmental.....	2	..	1	1
Length of continuous service.....	10	2	5	3
Occupational.....	4	3	1	..
Combination of types above.....	5	3	2	..
Type of seniority statement				
Standard clause.....	3	1	..	2a
Detailed clause.....	9	2	5	2
Definite statement limiting the number of exceptional employees that may be retained without regard to seniority.	1	..	1	..
Periods of limited production				
Weekly hours to be reduced before layoff to 37½ hours.....	1	..	1	..
Notice to be given of layoff				
40 hours.....	1	..	..	1d
1 week.....	2	..	1	1
2 weeks.....	1	..	1e	..
Superseniority to union officers during term of office.....	3	..	1f	2
Union recognition of accumulated seniority for supervisors.....	4	1	3	..

aOne contract does not have a seniority policy as such, but sets forth a policy of increasing or decreasing the force which involved a process of seniority.

dCompany states that if 40 hours' notice is not given in case of layoff, 20 hours' pay shall be given in lieu thereof.

eContract states that 2 weeks' notice in case of layoff shall be given, or 2 weeks' pay in lieu thereof, except in cases of emergency when the company shall be entitled to give only one week's notice.

fContract specifies that employees receiving superseniority as union officials shall not exceed the ratio of 1 to every 25 employed.

company, an aircraft plant, four metal-fabricating companies, a radio station, a textile mill, two construction companies and a chemical products corporation.

In five of the companies, the contracts provide that

"confidential" employees shall not be regarded as part of the bargaining unit. In general, the expiration clauses are similar to those in agreements covering production workers. Automatic renewal clauses provide for a thirty-day advance notice of termination or desire for change in the contract.

**Table 12: Vacation and Holiday Provisions in Contracts Covering Technical Employees**

Type of Clause	Total		AFL		CIO		Independent	
	Paid	Not Paid	Paid	Not Paid	Paid	Not Paid	Paid	Not Paid
Vacations.....	12	..	3a	..	5 a b c d	..	4 a b	..
Holidays not worked:								
New Year's Day.....	11	1	3	..	5	..	3	1
Washington's Birthday..	7	1	2	..	3e	..	2	1
Good Friday or Easter Monday.....	1	..	..	..	1	..	..	..
Memorial Day.....	11	1	3	..	5	..	3	1
Independence Day.....	11	1	3	..	5	..	3	1
Labor Day.....	10	1	3	..	5	..	2	1
Columbus Day.....	1	..	..	..	1	..	..	..
Election Day.....	2	..	1	..	1	..	..	..
Armistice Day.....	3	..	..	..	2	..	1	..
Thanksgiving Day.....	11	1	3	..	5	..	3	1
Christmas Day.....	11	1	3	..	5	..	3	1
V-J Day.....	..	1	..	..	..	..	..	1

aOne contract states that employee veterans are entitled to vacations.

bFour contracts state that vacation pay will be given to employees who are laid off up to the amount to which they are entitled.

cTwo contracts state that if adequate notice is given of termination an employee will be entitled to his earned vacation allowance.

dOne contract specifies that vacations may be split during the year.

eOne contract specifies half holidays for Lincoln's and Washington's birthdays.

fOne contract states that employees may take holidays as part of their annual unpaid vacation allowance.

Union security provisions are about as prevalent in these contracts as in collective-bargaining agreements generally. As shown in Table 2, four of the contracts have no union security provisions. Of the remaining eight, four contain maintenance of membership clauses, four contain union shop provisions and three provide for checkoff of union dues.

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#### Pension Computer

The Pan American Airways System is distributing to the participants in its retirement benefit plan a "pension computer," a mechanical device for quickly finding the participant's annual pension.

The computer resembles an engineer's slide rule. At the left side is printed a scale of amounts of yearly salary. Numerals along the top indicate years of service. The inquiring participant sets the slide with its slot over the number which represents the years of service between joining the plan and the normal retirement date. Opposite the figure representing his salary can be read the amount of pension that will be paid to him annually.



## Trends in Training

WITH the war's end more than a year away, there is now a suitable opportunity to develop a clearer picture of postwar trends in company training activities. There were some predictions that the high level of interest shown in training during the war would die away with a return of peace. Although the end of government-financed shots-in-the-arm has brought about a decrease in some phases, indications are that training is being given more opportunity than ever before to function as a basic management tool.

### SUPERVISORY TRAINING

Probably no field is receiving more attention today than the training of supervisors. In 1939, a Conference Board survey showed that 506 of the 2,700 companies responding, or 18.7%, had a supervisory training program. In a current, incomplete survey, which includes 3,200 companies, 1,100 report a supervisory training program—a jump to 34.4%. The war-time training-within-industry program, which reached approximately 15,000 plants according to the TWI report, has been an important influence. In many companies, the TWI program was the first contact with supervisory training. And, in many companies today, its "J" programs are still being conducted.

Although the TWI pattern of short courses dealing with limited subjects and techniques is being followed to some extent, there is a stronger trend toward continuous programs, with regularly scheduled conferences on a weekly, bi-weekly or monthly basis. Many companies are using courses only as a supplementary means of training, believing that there is a greater need for constant flow of information through the continuous conference program.

An examination of many companies' programs shows that the scope of subject matter has broadened a great deal, with almost every phase of management being considered. The chief point of emphasis, however, is usually personnel relations. Not only are techniques of handling people receiving attention, but companies' personnel policies are being studied so that they are better understood and improved wherever possible. Labor relations, including the progress of union negotiations, study of a new agreement, interpretation of the agreement and grievance handling, is a frequently appearing subject.

There is also a tendency in some cases to include educational material on more general business subjects, such as economics, economics of the particular industry, business conditions, and report making.

One outgrowth of some conference programs has been an improvement in communication "up the line." A substantial number of programs are planned so that the proposed personnel policy receives consideration by the entire supervisory organization before it is finally approved.

The increase in conference activities has resulted in a need for more conference leaders. The tendency has developed to use men in the line organization as conference leaders as contrasted with industrial relations or training men under whose leadership many training courses were conducted. The subject of conference leadership, therefore, has been given greater attention and in a number of companies specific training programs on it have been developed.

There has also been a trend toward providing supervisors with publications intended to keep them better informed. In a recent Conference Board survey, 63 out of 168 companies reported that they prepared and distributed a supervisory newsletter. In addition, 69 out of 168 companies reported having a supervisor's manual. According to the recent requests for information received at the Board, the use of both these media is increasing.

Two relatively new types of programs have been observed in a few companies. One is the thorough training of new supervisors, immediately or soon after their promotion. The other is the development of a personalized training program based on a study of each individual's needs.

### COLLEGE GRADUATE TRAINING

The end of the war made available young college graduates for this specialized training which was interrupted by the war. According to the latest figures compiled by the Board, 373 companies out of 3,200, or 11.6%, report having college graduate training programs, as compared with 349 out of 2,700, or 12.9%, in 1939.

Inquiries received by the Board indicate that this type of program is receiving the attention of a number of companies that had not previously utilized it. According to some executives, the need for supervisors and executives with thorough training is becoming greater because seniority provisions on promotion have hindered the development of supervisory material.

There has been some tendency to reduce the length of the training period, the reasons being a pent-up demand for trained men and the maturity of the trainees.



An increasing amount of attention is being devoted to the orientation of new employees. Wartime conditions often did not permit adequate attention to the new employee, but with a slackening from the war-

### Veterans' Training and Education

Source: Veterans Administration

	Public Law 346 (GI Bill)		
	Total	Institutional	Job
December 31, 1945. ....	91,176	76,802	14,374
December 31, 1946. ....	2,201,206	1,572,049	629,157
	Public Law 16 (Vocational Rehabilitation)		
	Total	Institutional	Job
December 31, 1945. ....	40,222	27,228	12,994
December 31, 1946. ....	190,464	106,822	83,642

time pace a number of new programs have been designed to fill this need. Several executives have recently emphasized the importance of this activity not only as a means of reducing turnover but as a basic step toward establishing better employee relations.

### VETERANS AND APPRENTICE TRAINING

Public Laws 346 and 16 (see table) have been responsible for a high level of on-the-job training, apprentice training, and education in outside institu-

tions. The table shows the development of the trend in veterans' training and education.

The Apprentice Training Service of the Department of Labor reported that 10,756 programs were established in 1946, bringing the total to 16,754.

### EDUCATIONAL PROGRAMS

Many companies are becoming interested in providing employees with educational opportunities, apart from job training. Of the companies surveyed, 14.4%, (461 out of 3,200) report that they provide some form of voluntary educational program for their employees. This is a significant increase over the figures reported in 1939 when 5.6%, or 151 out of 2,700, reported programs of this kind.

More companies are also encouraging employees to further their education in outside educational institutions by giving them financial assistance in the form of a refund of tuition (either in part or whole) for courses successfully completed. Three hundred and eighteen companies of the 3,200 reporting have a plan for educational refunds, as compared with 156 out of 2,700 in 1939.

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## Final OWMR Report on Guaranteed Wages Submitted

The final government report on guaranteed wages was submitted by Murray Latimer, the director of the study, to the OWMR Advisory Board on February 5. The study follows the general pattern of the interim report.<sup>1</sup> The most significant addition is an appendix prepared by the Bureau of Labor Statistics on the description and operation of such plans. Included also is a comprehensive economic study by professors Alvin H. Hansen and Paul A. Samuelson. The completed study, according to the latest reports, has not yet been printed and will not be available for distribution before April 1.

On February 25, the Advisory Board submitted its report to President Truman. It was the board's unanimous conclusion that the adoption of guaranteed wage plans should not be the subject of legislative action but should be referred to collective bargaining. Other unanimous conclusions of the board concerning the report are summarized below.

Stabilization of employment and its effectuation through wage or employment guarantees are matters of mutual concern to employer and employees. Each party has the definite responsibility of seeking to sta-

bilize operations within a plant or industry in order to advance the level of general economic security of the nation.

Progress toward the achievement of stability through a guaranteed wage is affected by existing legislation in the fields of social insurance, minimum wages, fiscal and tax policies and other laws. These laws should be reviewed, evaluated, and coordinated in order to attain stable employment conditions.

The guaranteed wage is a significant, but not an all-sufficient, tool for building national economic security and stability.

There is urgent need for achieving nationwide economic stability. Since the guaranteed wage is one of the instruments for the elimination of industrial and employment fluctuations, continuing study to advance the frontiers of knowledge in this area should be undertaken.

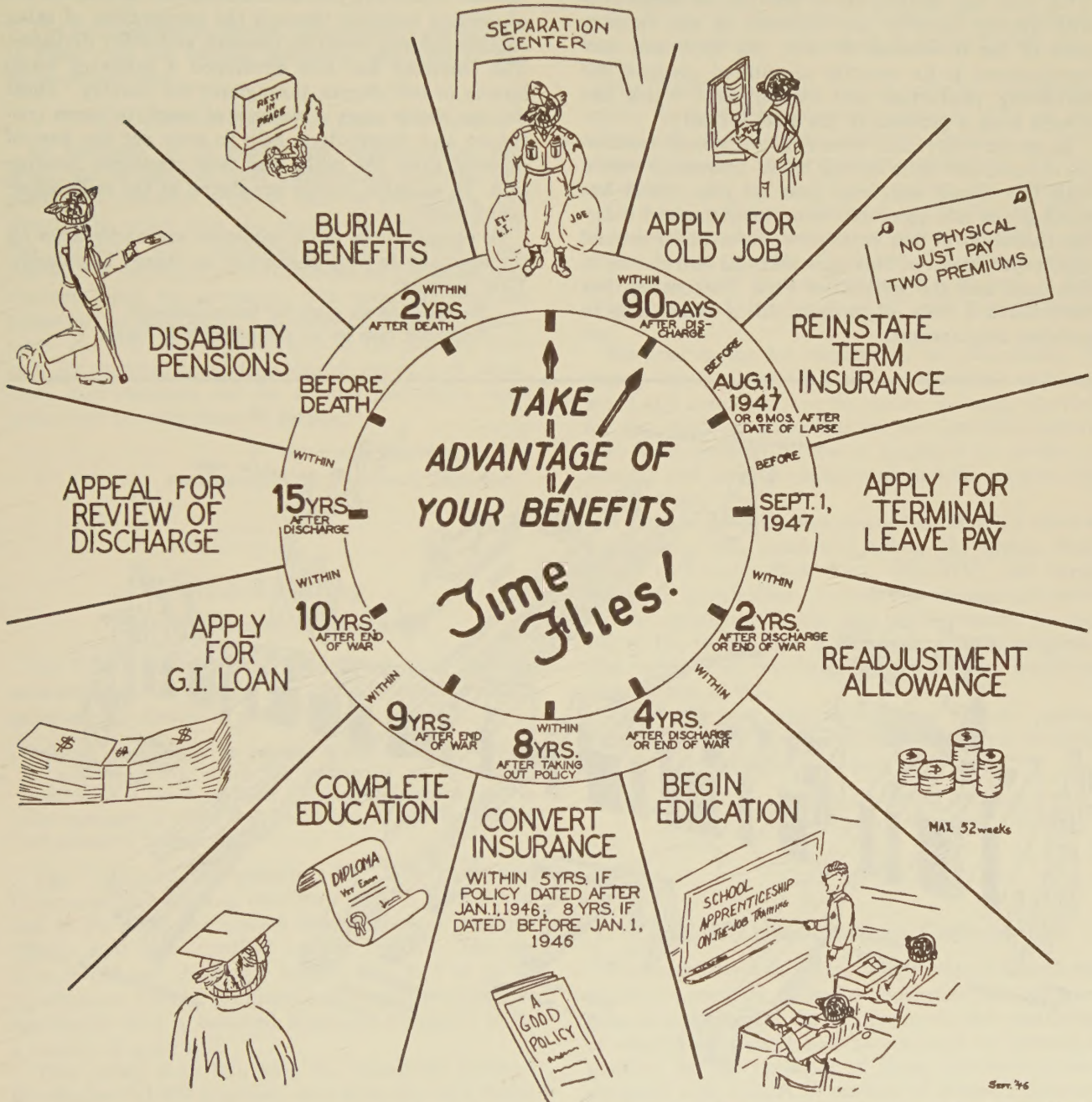
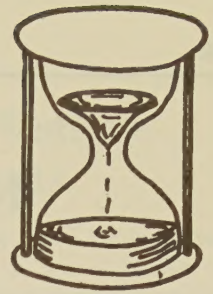
The board also recommended assigning to the Council of Economic Advisers leadership responsibility in integrating government efforts.

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<sup>1</sup>For a discussion of this study, see *The Conference Board Management Record*, January, 1947, p. 7



# VETERANS' TIME TABLE



Counselors of veterans are finding this chart of veterans' benefits useful and time-saving. Copies of it, along with the manual which describes in detail the various benefits for which the veteran may apply, can be obtained from Julius Yourman, Director, Research and Counseling, New York State Division of Veterans' Affairs, 270 Broadway, New York City.



## Employment Stabilization in Steel

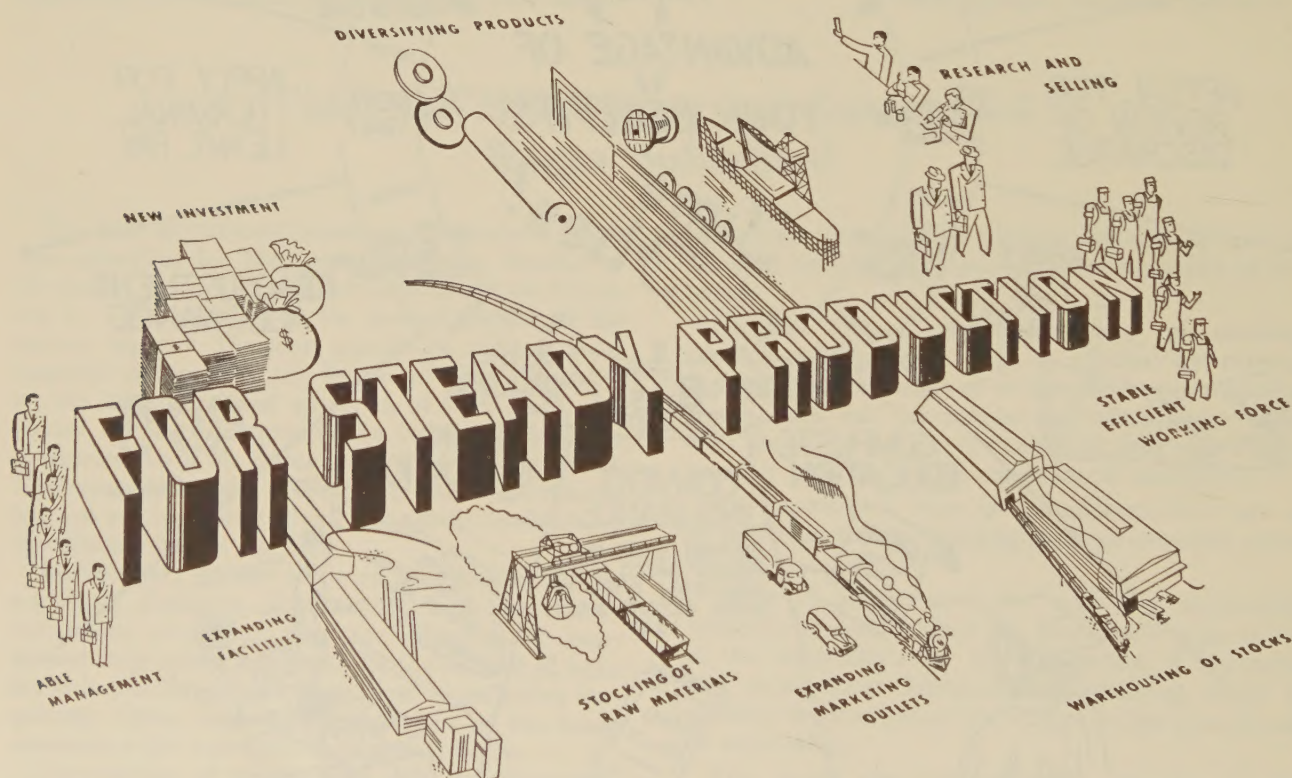
**M**EASURES which the Bethlehem Steel Corporation has developed to provide its employees with greater security are discussed in the January issue of the *Bethlehem Review*. An important new development is its recently announced program for stabilizing production and employment—which has always been a problem in the steel industry.

In earlier years there were only a few large customers of steel, and their buying habits frequently varied with the season and from year to year. Steel has reached out into more and more markets, and today has thousands of new customers. Even under normal conditions, however, there are still ups and downs in demands, and the Bethlehem Steel Corporation has undertaken a series of projects, all of which help to stabilize employment.

The company's program includes new distribution outlets; expanding production facilities; the fullest use of existing facilities through the cooperation of sales, commercial and scientific research and other divisions. The company has also developed a series of warehouses, or mill depots, throughout the country. These depots, which carry a variety of stock to serve customers and distributors, help to even out the flow of demand upon the mills, and thus regularize production. In addition, stocks are stored at the mills wherever feasible.

In normal times other measures are undertaken by the company to keep production as steady as possible. They include:

- Warehousing tin plate for future delivery;
- Producing rails on an annual contract basis;



**FOR STEADY PRODUCTION**—Able management through new investment provides expanding facilities with adequate raw materials resulting in a greater diversity of products. Diversified products with increased warehousing, lead to wider marketing outlets which are maintained and expanded by research and selling. All of these methods with a stable, efficient working force help to create the steady production which in turn provides steady employment.



Stocking standard pipe to the degree storage space permits;

Manufacturing wire products throughout the year despite seasonal demand;

Stocking standard steel products;

Doing plant maintenance jobs in off season;

Stocking semifinished products;

Stockpiling of raw materials.

The accompanying sketch demonstrates graphically to employees the various measures employed to stabilize production.

#### OTHER EMPLOYMENT SECURITY PLANS

In addition to its production regularization program, the Bethlehem Steel Corporation provides supplemental pensions without cost to employees, and through its relief plan the employees receive benefits for sickness and nonoccupational accidents and death. An employee's contributions to the relief plan depends upon his earnings. The company has also pioneered in instituting a division of industrial medicine. In 1945, the expenditures of the medical division for examinations, dispensaries, services of physicians and surgeons and for general preventive work amounted to more than \$2 million.

F. BEATRICE BROWER

*Management Research Division*

### NLRB Ruling on Insurance Programs

An NLRB examiner on February 3 ruled that insurance plans are within the scope of collective bargaining. He stated in part that:

"Any emoluments or benefits which can be measured in money's worth which the employees are entitled to receive as a result of their employment relation are in the category of wages and like wages may be the subject of collective bargaining."

The company in question, W. W. Cross and Company, had a group insurance plan in force previous to the time the United Steelworkers of America (CIO) had been certified by the NLRB. The examiner did not, however, believe this fact to be of significance; also, he dismissed as trivial the company's contention that it believed insurance programs to be a matter of good will.

This ruling is in line with the reasoning followed by another NLRB examiner who held that retirement benefits were a proper subject for collective bargaining.<sup>1</sup> F. B. B.

<sup>1</sup>See *The Conference Board Management Record* for February, p. 25, for a discussion of the ruling on pensions.

## Recent Union Welfare Developments

UNION insurance programs financed by employer contributions continue to be an objective of many unions, especially those affiliated with the CIO. For example, the United Automobile Workers union is demanding a comprehensive social security program from the companies with which it is negotiating contracts.

The UAW is carrying on an extensive campaign among its local union leaders to educate them on the advantages of obtaining insurance benefits in their contracts as they come up for renegotiation. In this connection, the national headquarters has prepared a kit which acquaints the local leaders on the types of benefits which headquarters believes should be included in the program, the types of insurance which may be used to finance the benefits, as well as the advantages and disadvantages of each type of funding.

Material in the kit emphasizes the desirability of having the fund trusted and administered so as to avoid any suspicion that the money is being diverted for any other purpose. The kit also provides leaders with basic material on how to negotiate for insurance benefits and how to obtain rank-and-file support for the program.

A threatened strike was averted on March 4 when a compromise was reached between the Dress Joint Board of Greater New York (ILGWU) and three employer associations. Among the concessions made by the employing group was the agreement to pay 1% of the payroll into a retirement benefit program. The union had previously demanded an employer contribution of 2%.

The employers' associations are already paying 3½% of payroll for disability benefits, free medical service and vacations with pay.

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### Benefit Associations Federate

Representatives of several large mutual benefit associations recently formed a federation for the purpose of assisting "in the development and protection of employees' benefit associations and to provide a medium for the exchange of ideas, information and statistics with respect to matters of common interest, but not to interfere with the internal affairs or the management of member associations." Membership in the federation is at present restricted to associations with 2,500 or more members. F. B. B.



## GAZELLE MEN — They Are Among Us!

THIS IS A GAZELLE.

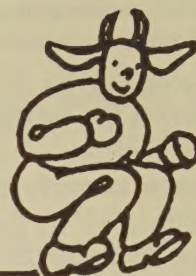


(ANY OF VARIOUS SMALL GRACEFUL AND VERY SWIFT ANTELOPES.)

THIS IS A MAN WHO THINKS HE'S A GAZELLE.



HE JUMPS FROM CELLS, TANKS, ETC., AND—



FRACTURES A LEG.



HE VAULTS FENCES, "GAZELLISHLY" AND—



FRACTURES AN ARM.



OK

**THEN** he learns his greatest need: **TWICE THE CAUTION, HALF THE SPEED!**

Cartoons are effective in reducing avoidable accidents at the Hooker Electrochemical Company in Niagara Falls, New York. Several months ago the company was concerned with an unprecedented series of accidents resulting from employees jumping from drums, platforms and boxes. Investigation proved that all the accidents could have been avoided.

This situation was the nucleus for "Gazelle Men," a cartoon feature sketched by an employee artist which appeared in the employees' publication, Hooker Gas, last October. The illustrations describe actual accidents which occurred in the plant, and it is reported that there were a few red faces and guilty consciences when the pictures were published. But results speak for themselves—there hasn't been a jumping accident in the plant since October.

The Personnel Director who is responsible for the safety program believes that the cartoons served two major purposes: (1) they reminded workers of the dangers involved in unnecessary jumping; and (2) they helped to develop a new appreciation and respect among employees for safety practices.

Figures of animals in cartoon strips and posters have been used successfully by several companies. The gazelle featured in the accompanying cartoon is not only useful in tactfully reminding offenders of their carelessness but he is also instrumental in telling employees that thoughtlessness doesn't pay. Such qualities as the surefootedness of mountain goats and proper lifting habits of certain pack animals could also be used to demonstrate the value of using safe practices on the job.

ETHEL M. SPEARS  
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## Trends in Collective Bargaining

### Teaching the Contract

How to acquaint employees with its meaning is often the next step to signing a collective-bargaining agreement. It is done by some labor unions through classes for their members and by some companies through training programs for their foremen or supervisors. Sometimes a clause in the contract, usually inserted at the request of management, explicitly sets forth the manner in which the supervisor and steward are to make the terms understandable to the employees.

Such a clause is contained in an agreement negotiated between the International Brotherhood of Electrical Workers (AFL) and an electrical equipment manufacturing company. The company discussed the program with the union's business agent before the procedure was formulated.

Through three one-hour sessions, a company representative, who has been introduced by the union's business agent, acquaints the union stewards with the union contract, article by article. The stewards are given the opportunity to ask any questions they wish regarding the most minute details of employer-employee collective-bargaining relations. This training program was well received by the stewards at the one plant where it was tried out. In advocating extension of the program to the other plants, the management representative reported that "the men seemed eager to learn" and "had a real desire to cooperate with management to secure good relations."

According to this agreement, "the supervisor is responsible for the quantity and quality of the work produced by those under his supervision. . . . If an employee questions any instructions which he receives from the supervisor, he should tell the supervisor directly." The contract includes a number of work rules, violation of which may result in "disciplinary action." They include:

1. Misrepresentation of facts in obtaining employment;
2. Punching another employee's time card;
3. Wilfully entering incorrect information on a piece-work slip;
4. Destruction or removal of company property or the property of another employee;
5. Attempts to injure, interfere with or obstruct production;
6. Causing a disturbance on company property, such as might be caused by running, yelling, playing practical jokes or throwing things;

7. Spreading false reports detrimental to harmonious relations between employees and company;

8. Revealing any restricted, confidential or secret information to unauthorized persons;

9. Gambling;

10. Disorderly or immoral conduct;

11. Unauthorized interdepartmental visits;

12. Incompetence, negligence or insubordination;

13. Bringing liquor into the plant, or reporting to work under the influence of liquor;

14. Selling, soliciting, canvassing or distributing, without prior permission;

15. Endangering fellow employees through violation of safety rules;

16. Operating any piece of equipment without being authorized to do so;

17. Failure to report for work without a *bona fide* reason for such failure, or repeated tardiness or absence;

18. Theft of company property, or personal property of a fellow employee;

19. Smoking in any part of the plant where 'No Smoking' signs are displayed.

### Absenteeism Problems

Absenteeism, a thorny problem in many companies, has not generally been conquered in periods of labor scarcity through the issuance of penalizing rules. Instead, an attempt has been made in the past few years to acquaint the worker with the fact that his absence may upset the entire output schedule of the company, which, in turn affects every employee in the particular organization. This is sometimes done through a training program in which the company's present, past and future competitive situation is discussed with the workers.

As a safeguard against a serious amount of absenteeism, union contract clauses indicating just what is and what is not an unwarranted absence have been found helpful. In many instances, discharge will follow wilful and repeat violations of the rules.

An absenteeism clause recently negotiated between an eastern local union of the UAW-CIO and a metal-fabricating company reads:

"It is mutually agreed that unwarranted absenteeism is injurious to the general welfare of both employee and employer, and causes unnecessary interference with production. It is, therefore, mutually agreed that absence of an employee, except for the following reasons, is inexcusable and subject to penalties as set forth herein: (1) personal illness; (2) death in the immediate family of



the employee; (3) annual vacation; (4) leave of absence; (5) required appearance on jury duty, or as a witness through subpoena; (6) lack of work; (7) suspension from work for cause: the absence is nonexcusable when amounting to more than two days in any month, or more than eight hours in any week, and either or both will be, for each absence, subject to (1) suspension from Saturday work in the week in which the absence occurred, or (2) demerits equal to the number of hours of work time lost, and (3) the employee shall be subject to discharge for cause upon his accumulating 150 demerits or more. The liability to discharge once incurred shall not be automatically extinguished through failure of the company to exercise its right of discharge; but said right shall continue until actually exercised or waived, except that each demerit shall automatically expire twelve months after its having been incurred. The company shall have the right to require an employee to file a doctor's certificate if claimed absence is due to illness."

### Discussing Grievances

In plants with a grievance and arbitration procedure, methods must be established for discussion of grievances by union members. In some instances the union steward and the company representative handle this matter for a particular area small enough so that these representatives are intimately acquainted with the day-to-day problems of the workers. Teamwork between the supervisor, the personnel department representative, and the union steward is helpful in settling line grievances. This is encouraged by a clear, simple outline of grievance and arbitration procedures in the contract.

In this connection, a clause in the contract of a midwestern metal plant relates to methods of calling conferences between the management committee and the grievance committee. Meetings, called at the request of the union, are to be held between the union and management committees once a month "for consideration of all pending complaints . . . and other matters of mutual interest." Conferences may be arranged as "circumstances warrant" and at "convenient times fixed by the company representatives involved, either during working hours or at the end of the day shift." Union officers not regularly employed by the company may attend only those conferences between the management committee and the union bargaining and grievance committee, or between the management committee and the executive officers of the union.

Employees are to be paid for time spent in handling grievances, as follows:

"Each representative of the union officially designated and recognized by this agreement who loses time during his working hours handling grievances in the manner provided in this agreement shall receive pay therefor at his regular rate of pay, but the company reserves the right to discontinue at any time the practice of paying for time lost in handling grievances when, in the judg-

ment of the company, such privilege is being used too extensively. The withdrawal of such privilege will not be made without prior notice to the union and a reasonable opportunity to remedy the condition."

### Management Can Use It, Too

There is also a growing interest in the development of grievance provisions in union contracts that will give to both management and labor the right to utilize an outlined grievance procedure.

The following clause has been written into a contract in an effort to lessen the labor-management strife which prevailed during the life of previous contracts. Grievance procedures are outlined in detail, as follows:

"1. On behalf of the union there will be the following setup:

The shop shall be divided into geographical areas as designated by the company from time to time. There shall be one steward, designated by the union for each geographical area for each shift, who shall be a regular employee of the geographical area working on the shift he represents.

There shall be a grievance committee which shall consist of five members and a recording secretary designated by the union who shall be employees of the company.

There shall not be more than thirteen geographical areas for the shop.

No employee shall be designated as both a grievance committeeman and a steward.

On behalf of the company there will be the following setup:

The foreman or assistant foreman in each department.

The superintendent, assistant superintendent, or general foreman in charge.

The management committee which shall consist of members appointed by the company.

The various steps in the procedure for handling grievances shall be as follows:

*First:* The aggrieved employee should present his grievance directly to his foreman (or assistant foreman) at the time the grievance arises. But he may request his foreman (or assistant foreman) to send for the steward of his geographical area for the purpose of (1) discussing his grievance with him prior to presentation to his foreman (or assistant foreman), and (2) presenting his grievance. The aggrieved employee shall be present at the time the grievance is presented to the foreman (or assistant foreman). No more than one union representative shall participate in such conferences. The foreman (or assistant foreman) shall send for such union representative who, before absenting himself from his job, shall give his foreman (or assistant foreman) such notification as may be prescribed by the company. Whenever the aggrieved employee or his steward presents to a foreman a written grievance in duplicate during the first twenty-four hours following the oral presentation of such grievance, it will be answered in writing by the foreman.

*Second:* If the matter is not satisfactorily adjusted within twenty-four hours, then presentation by the ag-



grieved employee and his steward to the superintendent (or assistant superintendent or general foreman in charge) and the foreman of the aggrieved employee.

The manner of presentation shall be in either of two ways as follows:

The aggrieved employee or his steward may present the foreman with the grievance in writing and request that it be transmitted to the superintendent (or assistant superintendent or general foreman in charge) for reply. When a grievance is presented in writing in the first step, the same written grievance shall be presented in the second step.

Or the aggrieved employee or his steward may present the foreman with the grievance in writing and request that the aggrieved employee, his steward and two members of the grievance committee be granted a conference with the superintendent (or assistant superintendent, or general foreman in charge) and the foreman of the aggrieved employee to discuss the grievance. When a grievance is presented in writing in the first step, the same written grievance shall be presented in the second step.

When a foreman is presented with a written grievance in duplicate in the second step, he shall receipt both copies of the grievance, acknowledging that it has been received in the second step, and return one copy to the steward or to the aggrieved employee.

When the steward or the aggrieved employee requests a conference in the second step, he shall indicate to the foreman which grievance committeemen he desires to have present at such conference. The aggrieved employee, the steward, and the designated committeemen will be notified by their foremen of the time and place of such conference.

The superintendent (or assistant superintendent, or general foreman in charge) will answer second-step grievances in writing. In the event that a grievance is the grievance of more than one employee, no more than two of the aggrieved employees may participate in the second-step conference.

*Third:* If the matter is not satisfactorily adjusted within forty-eight hours of presentation in the second step, then the written grievance presented in the second step may be presented through the superintendent of personnel to the management committee by a member of the grievance committee.

*Fourth:* If the matter is not satisfactorily adjusted within fourteen days after presentation to the management committee, the matter may be presented to the board of arbitration as provided.

The company may utilize the following procedure upon any grievance against the union or any of its members:

*First:* Presentation of complaint in writing to the officials of the union.

*Second:* If no satisfactory adjustment is obtained within fourteen days, then presentation of the complaint to the board of arbitration as provided.

Conferences between the above designated representatives of the union and representatives of the company shall be on the following basis:

Conferences for consideration of all pending complaints as to grievances and other matters of mutual interest may

be held once each month, at the request of either party, between the grievance committee and the management committee.

Special conferences between said representatives may be arranged as circumstances warrant.

Unless otherwise agreed, all conferences will be held at the end of the first shift.

The union shall furnish the company a list of the stewards and members of the grievance committee. Any change in such list shall be reported promptly, in writing, by the union to the company.

All requests for conferences with the management committee and communications in regard thereto shall be directed to the superintendent of personnel.

Only in conferences between the grievance committee and the management committee shall either party have conferees who are not regularly employed by the company.

The company will furnish the union a list of the members of the management committee. Any change in such list will be reported in writing by the company to the union.

Every representative of the union officially designated and recognized by this agreement who is absent from his job due to his carrying out of any function so authorized by this agreement shall notify his foreman upon leaving and upon returning to his job in the manner prescribed by the company.

Any representative of the union (officially designated and recognized by this agreement) who loses time during working hours either at the request of the company or for the purpose of handling grievances in the manner specifically provided for in this agreement, shall receive pay therefor at a rate equal to his average earned rate for the preceding six pay periods exclusive of overtime earnings, but the company reserves the right to discontinue at any time the practice of paying such representatives for time lost in handling grievances, when, in the judgment of the company, such privileges are used too extensively. The withdrawal of such rights will not be made without prior notice to the union and a reasonable opportunity to remedy the condition.

### Union and Company Security Clauses

Local unions included in a master agreement between the United States Rubber Company and the United Rubber, Cork, Linoleum and Plastic Workers of America (CIO) will have a special representative of the international union as an advisor in the administration of the security clauses.

The international union has agreed that in the case of a local union violation "the special international representative and the local union officers will immediately take whatever lawful steps are necessary to bring the local union into compliance, eliminate the violation, and adjust the problem giving rise to the violation. . . ." Provisions relating to violations apply to every clause in the agreement and its supplements.

The union security clause affords maintenance of membership and checkoff of union dues, initiation



fees, rejoining fees and general assessments. All workers becoming members during the life of the agreement are to remain members and are subject to the same provisions as the original members.

In the company security clause, the union recognizes that the company "in order to provide maximum opportunities for steady continuing employment, good working conditions and good wages, must be in a strong competitive position, which means that it must produce efficiently and at the lowest possible cost consistent with fair labor practices. The union agrees to cooperate in the attainment of these goals." The union will encourage full production and "cooperate with all levels of supervision in discouraging any practice which imposes any unreasonable restriction on production. . . ." The union "will take whatever steps are necessary to prevent any strike, stoppage, slowdown or other interruption of work in violation of this agreement or the supplements thereto." Any strike, stoppage, slowdown in violation of this agreement "may result in discipline by the company. The company agrees that neither it nor its representatives will put into effect any lockout during the term of this agreement."

This agreement, entered into on January 27, 1947, is to be effective until July 1, 1948, and will renew itself automatically from year to year unless "written notice is given by either party not less than forty-five days, but not more than sixty days, prior to the expiration date that it is desired to terminate or amend this agreement. In the event such notice is given, the parties shall begin negotiations within thirty days. If negotiations are not completed prior to the expiration date, this agreement shall continue in force and effect thereafter subject to cancellation upon thirty days' notice by either party . . ."

#### Rules for Women

Opposition has been expressed by some labor unionists and industry spokesmen to the practice of having women continue to do work formerly done by men in the postwar period. But the tight man-power market is continuing, and women are staying in industry. In many instances, they are doing work formerly regarded as too hard for them to do.

Women are also becoming more of an aggressive force in unions, although there are cases where women are in the majority and yet do not have a proportional number of top officers. Many of these women object to the way the union political machine ignores them when slates for officers are being prepared.

Rules covering the performance of "men's work" by women have been incorporated into a collective-bargaining agreement negotiated between a midwestern CIO union and an agricultural equipment company, as follows:

"(a) There shall be day-rate classifications set up for women to parallel those for men on jobs where women replace men, but where women are not performing comparable quality and quantity of work. The day rates for women in such classifications shall be established by multiplying the corresponding day rates for men in such classifications by 83% and taking the result to the nearest cent.

"(b) On jobs where women replace men and where the quality and quantity of work is readily measurable, and, accordingly, affords a practical basis for comparison of women's and men's work, the day-rate classification for women shall be the same as those for men for equal work.

"(c) In setting an incentive rate for women on a job which is the same as one performed by men but for which no piecework price has been established, the job will be timed on the same basis as for men, using, if so desired, a male operator for the timing. Thereafter, the provisions of paragraph (d) below will apply.

"(d) Where a woman replaces a man on incentive work on which a price has been set, the woman will receive the established piecework price for the job and the guaranteed day-rate established in the classification for the job, provided she has the ability to perform all the work covered by the piecework price (or included within the job in question) in accordance with the standards of the department for men."

#### Extending Union Contracts

The question arises when collective-bargaining agreements are extended beyond the stated expiration date as to whether the new wage scale is to be retroactive to the original expiration date or only to the date of agreement renewal as stated in the existing collective-bargaining contract.

An outstanding instance regarding the postponement of the expiration date in a labor contract is the agreement between the United States Steel Corporation and the United Steelworkers of America (CIO) reached on January 27, 1947. The reason for the extension of the existing contract is given by Benjamin F. Fairless, President of the United States Steel Corporation, as follows:

"Our companies have been sued for over one-half billion dollars for alleged past portal-to-portal liability. The claim is made in these suits that our employees should now be paid retroactively as far back as 1938 for walking to work on company property, for changing clothes, and for time spent in washing. The amount for these activities is computed at overtime rates and then is doubled under the penalty provisions provided in the Wage and Hour Law. No one contends that the employees were not paid their full wages in accordance with the terms of the then existing labor contracts for all time actually worked as work was then understood and accepted by both parties.

"In the midst of this serious situation, had the union not agreed to the contract extension, we would have



found ourselves facing an immediate demand to raise wages without knowing how long an individual employee works each day and how much he is entitled to receive at the end of the day—if the portal-to-portal pay theory is to be imposed. The union's demand for a substantial wage increase and its separate demand for portal-to-portal pay both involve higher wage costs. They must be considered together.

"This situation and these lawsuits are not peculiar to us. Many other companies, small as well as large, have been sued all over the country. The solvency of many may be threatened. This critical problem has been recognized by the Congress and bills are now under consideration. If legislation or further court decisions correct the present confused situation, both parties should be able to negotiate a labor contract with some understanding of the legal requirements and financial consequences.

"Until this matter is clarified the parties plan to continue collective-bargaining conferences in an attempt to reach agreement on changes proposed for the new agreement, either by the companies or the union, which do not relate to cost aspects.

"No understanding has been reached that any contract terms ultimately agreed upon will be retroactive. This is a subject for future negotiation, along with all the other matters to be negotiated."

#### *Union's Attitude*

The union's attitude on the portal-to-portal question as stated in *Steel Labor*, official publication of the union, is one of asking for "substantial wage increases" in labor contracts negotiated in 1947. The current wage demands are only one feature of the fourteen-point program that has been adopted by the steel union for approximately 500,000 steelworkers. The basic steel contract negotiations that were to have begun on January 17, 1947, have been postponed to April 30, 1947.

An outstanding steel-fabricating company has stated that extension of the union contract does not imply the injection of the retroactive wage question as an issue at the forthcoming collective-bargaining conferences.

Among the fourteen demands that are being made upon the steel industry by the union (United Steelworkers, CIO) are the following:

- Improvement in application of shift premium;
- Severance pay to employees whose employment is terminated for any reason other than a quit or discharge;
- Union shop and checkoff;
- Social insurance;
- Annual wage;
- Hours of work;
- Time and one-half for work performed on Saturday and double time for Sunday;
- Work schedules to be negotiated between the local union and the local plant management;
- New rates must yield increased earnings commensurate with increased effort or productivity;

- Improved vacation benefits;
- Seniority to be determining factor in promotions and in decreasing force;
- Preferences shall be given to local union officers in the case of decrease of force;
- Elimination of provisions relating to so-called probationary employees;
- Protection of the effective date of arbitration awards;
- Representatives of the international union to have access to the plants for the purpose of investigating grievances;
- Permission, where practical, to file grievances for a group of employees;
- Double time to be paid for time worked on holidays and straight-time pay to employees who do not work on holidays;
- Improvement of outstanding provisions relating to allowed time, health and safety, special wearing apparel and safety devices of employees.

In keeping with the practice of unions since the Smith-Connally War Disputes Act was passed, the Steelworkers' union has filed a formal notice with the Secretary of Labor, the National Labor Relations Board, and the Wage Stabilization Board of the existence of disputes over contract renewals. The union is enabled to call for a strike vote thirty days after the filing of such a notice.

#### *Supplemental Agreement*

The agreement between the United States Steelworkers of America and the Carnegie-Illinois Steel Corporation extending the existing collective-bargaining agreement to April 30 reads:

"This Supplemental Agreement dated January 24, 1947, is between Carnegie-Illinois Steel Corporation . . . and United Steelworkers of America or its successor.

"Whereas, the company and the union recognize their joint interest in maintaining peaceful industrial relations; and

"Whereas, the present labor agreement between the parties dated March 13, 1945, as amended and supplemented, is due to expire February 15, 1947, which will provide insufficient time within which to conduct effectively collective bargaining as to the terms and conditions of a new agreement; and

"Whereas, the parties desire to make their contributions to the national welfare by assuring continuity of operations during their collective bargaining now in process;

"It is hereby agreed that:

"1. The agreement dated March 13, 1945, between the company and the union, as amended and supplemented, is hereby extended until and including April 30, 1947.

"2. This extension in no way affects the matter of retroactivity with respect to any terms and conditions hereafter agreed upon and this matter shall be subject to negotiation."



### ILO Oil Conference

In keeping with the program of the International Labor Organization, a conference held in Los Angeles in February agreed on the need for closer cooperation between labor, management and government in establishing international standards covering safety, minimum wages, collective bargaining, basic general education, vocational and technical training, collective bargaining, apprenticeship training, recruitment and promotion policy.

Labor, industry and government delegates came from Canada, Columbia, Egypt, France, Great Britain, Iran, Mexico, the Netherlands, Peru, United States, and Venezuela.

The question of the establishment of a forty or forty-eight hour work week provoked a heated discussion, with management opposing action since it

would "impede production at a time when oil was badly needed." It was agreed to postpone the issue until the next ILO oil conference. Absence of Russia from such discussions is considered by some persons as hampering any plan to establish international work schedules.

The conference agreed upon "the principle that minimum wage rates should be fixed for workers by collective agreements, legislation or other procedures." It also favored safety programs, better management relations, general educational program facilities for children of petroleum workers, and apprentice training methods. Considerable disagreement developed between labor and government delegates on the question whether oil fields should be operated by private industry or the government.

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## Guideposts in College Graduate Recruiting

IN THE spring a college senior's thoughts turn to a job. For the spring of 1947, several college placement directors report an abundance of opportunities for their seniors. One placement director says that, although opportunities for technical graduates were high in the spring of 1942, this year appears likely to be the banner year for all types of graduates. Another placement director points out that employment opportunities are so plentiful that the person doing the recruiting really has a selling job on his hands.

Organized training programs, frequently called "cadet" or "loop" courses, are apparently being offered in greater numbers than before the war. Several placement directors admit that they encourage men to take advantage of this type of opportunity which gives thorough preparatory training in a business or industry which will help a man throughout his career.

### RECRUITING

A logical starting place for recruiting is to determine which colleges are most likely to have the type of men wanted. Factors to be considered include the type of training offered by the college in relation to the jobs to be filled; the scholastic reputation of the college; and the geographical limits for recruiting visits. Many companies start recruiting in February or March for June graduates, although the wartime disruption of schedules has created some fall and winter recruiting of February graduates.

Most colleges have a placement director who is the liaison between employers and students. In some cases, an announcement of the training program is

sent to the placement director with a request that interested students communicate with the company. In a more active recruiting program, however, the assistance of the director in arranging interviews at the school is solicited. Most placement directors are extremely helpful in setting up a schedule of individual interviews for men who exhibit an interest in the program. Arrangements can also be made to talk to a group of students to interest them in employment with the company. Applications or interview forms may be sent to the placement director in advance of the interview day as a means of conserving time. In addition, many schools furnish resumés on each student.

Publicity also plays a part in recruiting. Students like to know as much about the company and its training program as possible. While the simplest means is writing a letter which gives the major details, and which may be posted on a bulletin board, many companies go further. Some descriptive literature is modestly mimeographed on letter-size paper, while other companies prepare attractively printed and illustrated brochures. A sufficient supply is sent in advance of interviewing day so that every interested student may be given a copy.

### SELECTION

The number of men to be selected depends on the individual company's needs, and may vary from year to year. The general practice is to make the initial interviews, either at the college or at the office, a screening process. Notes made during or just after



interviews, plus the application form, provide the information needed for eliminating the least suitable applicants. The next step is to invite the remaining candidates to the company's offices. Many companies reimburse the applicant for his expenses. At the company's offices, final interviews and other selection aids, such as tests and physical examinations, are arranged.

Many companies are beginning to place increasing importance on factors other than scholastic achievement. Ability to get along with people and capacity for leadership are particularly significant. Evidence of these qualities, as, for example, participation in athletics, clubs, and other extracurricular activities, is sought on application forms and probed in interviews. Men with experience in recruiting are also eager to determine a man's real interest in the type of work for which the training is preparation.

Many companies make it a practice to acquaint the candidates with the company when they visit its offices for the final interview. They arrange a plant tour and provide each man with printed information about the company, for example, a copy of the annual report.

The final step is making decisions as to the men best qualified and sending them invitations to accept employment with the company. Because of the competition among companies for men, it has been found worth while to designate alternates to whom invitations will be sent in the event that any offers are declined.

### TRAINING

The program that appeals to most college graduates is the one which outlines the training specifically and in detail. The new graduate wants to see exactly what he is getting into, and in many cases shuns the vaguely described course—even though it may have a higher salary—for the fully described one.

Training courses may be designed to provide a man with intensive training for a specific job or with broader training covering many phases of the company's work. In some cases the two approaches are combined, with a shorter program of broad training followed by intensive training for a specific job.

On-the-job training is the core of most programs. The trainee is rotated from one department to another so that he may become acquainted with the various operations. In some cases this is merely observation, but in other companies an effort is made to have the trainee actually perform as many jobs as possible. Classroom work and collateral reading may be utilized to supplement on-the-job training. Both means serve to broaden a trainee's knowledge of the technical phases of the business, and of management and supervisory problems. Some companies also require trainees to submit reports about the work ob-

served or performed. Reports may serve as a check on the trainee's understanding of the work. They may also be utilized as a method of obtaining suggestions and ideas.

The length of training programs varies from a few months to two or three years. The longer programs provide a broader and more thorough training but represent a longer period of investment by the company with little or no return. In some companies the length of the training period is flexible, depending on the trainee's ability to assume a position of responsibility.

### PLACEMENT

Except where the training is for a specific job, a number of factors are usually taken into consideration on placement: the trainee's interests, aptitudes, preference, and the man-power needs of various departments. Some companies are willing to undergo a certain amount of temporary overstaffing in order to meet their longer-range need for qualified personnel.

The provisions of a union agreement may cause some difficulty in placing trainees. One large manufacturing company has not operated its college graduate training program for several years because it feels that a clause covering seniority and promotion makes it difficult to place trainees after completing the course.

### SALARY

The salary schedule is also an important element in recruiting. While the starting salary is important, the possibility for increases, both in amount and frequency, weighs heavily with college graduates. Some companies prefer to base raises on the individual's progress through the training program. Others, however, provide a plan for regular increases. A textile manufacturer, for example, has a starting salary of \$50 a week, with increases on a regular schedule over a two-year period to \$75 a week.

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### Management Book Shelf

"The Case Against Compulsory Arbitration," by Boris Shishkin, *American Federationist*, February, 1947. Compulsory arbitration in labor disputes in public utilities is criticized on the ground that it undermines self-government by employers and workers and "kills collective bargaining and replaces it with litigation." As recommended in current bills it would tend to "invite extensive government regulation, threaten the private enterprise system and invade individual freedom . . . plunge labor and management into politics." A. A. D.



# SIGNIFICANT LABOR STATISTICS

Source: THE CONFERENCE BOARD, unless otherwise indicated

Item	Unit	1947	1946					Year Previous	Percentage Change	
		Jan.	Dec.	Nov.	Oct.	Sept.	Aug.		Latest Month over Previous Month <sup>1</sup>	Latest Month over Year Previous
<b>Clerical salary rates</b>										
Billing machine operator.....	mode in dollars	.....	.....	.....	38	.....	.....	.....	.....	.....
Calculating machine or compt' ter operator.....	mode in dollars	.....	.....	.....	35	.....	.....	.....	.....	.....
Office boy or girl.....	mode in dollars	.....	.....	.....	25	.....	.....	.....	.....	.....
Stenographer.....	mode in dollars	.....	.....	.....	35	.....	.....	.....	.....	.....
Telephone switchboard operator.....	mode in dollars	.....	.....	.....	46	.....	.....	.....	.....	.....
Senior copy typist.....	mode in dollars	.....	.....	.....	36	.....	.....	.....	.....	.....
<b>Consumers' Price Index</b>										
Food.....	1923=100	.....	148.9	.....	.....	131.4	.....	114.9	+13.3	+29.6
Housing.....	1923=100	.....	91.0	.....	.....	91.0	.....	91.0	0	0
Clothing.....	1923=100	.....	105.9	.....	.....	99.7	.....	94.9	+6.2	+11.6
Men's.....	1923=100	.....	121.1	.....	.....	111.4	.....	104.1	+8.7	+16.3
Women's.....	1923=100	.....	90.6	.....	.....	88.0	.....	85.6	+3.0	+5.8
Fuel and light.....	1923=100	.....	100.4	.....	.....	99.9	.....	97.1	+0.5	+3.4
Electricity.....	1923=100	.....	66.9	.....	.....	66.9	.....	66.9	0	0
Gas.....	1923=100	.....	94.5	.....	.....	94.5	.....	94.5	0	0
Sundries.....	1923=100	.....	125.3	.....	.....	120.2	.....	115.7	+4.2	+8.3
All items.....	1923=100	.....	122.9	.....	.....	114.7	.....	107.1	+7.1	+14.8
Purchasing value of dollar.....	1923 dollars	.....	.814	.....	.....	.872	.....	.934	-6.7	-12.8
All items (BLS).....	1935-39=100	153.1	153.3	152.2	148.4	145.9	144.1	129.9	-0.1	+17.9
<b>Strikes (BLS)</b>										
Beginning in period.....	number	p 290	p 180	310	450	450	515	325	+61.1	-10.8
Workers involved.....	thousands	p 100.0	p 95.0	450.0	290.0	380.0	240.0	1,400.0	+5.3	-92.9
Total man days idle.....	thousands	p 1,250	p 3,065	4,750	4,500	5,000	3,425	19,750	-59.2	-93.7
<b>Turnover rates in manufactur'g (BLS)</b>										
Separations.....	per 100 employees	.....	p 4.3	4.9	6.3	6.9	6.6	5.9	-12.2	-27.
Quits.....	per 100 employees	.....	p 2.9	3.7	4.7	5.3	5.3	4.0	-21.6	-27.
Miscellaneous.....	per 100 employees	.....	p .1	.1	.2	.2	.2	.2	0	-50
Discharges.....	per 100 employees	.....	p .4	.4	.4	.4	.4	.4	0	.....
Layoffs.....	per 100 employees	.....	p .9	.7	1.0	1.0	.7	1.3	+28.6	-30.8
Accessions.....	per 100 employees	.....	p 4.1	5.7	6.8	7.1	7.0	6.9	-28.1	-40.6
<b>Wage Earners</b>										
<b>All manufacturing industries (BLS)</b>										
Earnings, hourly.....	average in dollars	.....	1.145	1.139	1.130	1.126	1.112	.994	+0.5	+15.0
weekly.....	average in dollars	.....	46.86	r 45.78	r 45.73	45.39	44.99	41.21	+2.4	+13.4
Hours per production worker.....	average per week	.....	40.9	40.2	r 40.5	40.3	40.5	41.5	+1.8	-1.4
<b>Twenty-five manufacturing industries</b>										
Earnings, hourly.....	average in dollars	1.258	1.247	1.243	1.231	1.229	1.217	1.107	+0.9	+13.6
weekly.....	average in dollars	51.24	r 50.30	50.14	49.79	49.14	48.74	44.62	+1.9	+14.8
Hours per production worker.....	average per week	40.8	r 40.4	40.4	40.4	40.0	40.1	40.6	+1.0	+0.5
Employment.....	1923=100	126.9	r 126.0	125.8	123.2	122.7	121.1	106.5	+0.7	+19.2
Total man hours.....	1923=100	105.2	r 103.4	103.3	101.1	99.8	98.7	87.9	+1.7	+19.7
Payrolls.....	1923=100	244.4	r 238.1	237.0	230.5	226.6	221.9	178.6	+2.6	+36.8
Wage-rate increases.....	average per cent	8.6	7.9	7.3	8.0	8.0	9.6	11.1	.....	.....
Production workers affected.....	per cent	4.1	1.8	2.7	1.9	1.8	5.5	4.4	.....	.....
<b>Manufacture and distribution of gas</b>										
Earnings, hourly.....	average in dollars	.....	.....	.....	.....	.....	a 1.126	1.034	.....	+8.9
weekly.....	average in dollars	.....	.....	.....	.....	.....	a 47.13	48.08	.....	-2.0
Hours per wage earner.....	average per week	.....	.....	.....	.....	.....	a 41.3	45.9	.....	-10.0
<b>Generation and distribution of electricity</b>										
Earnings, hourly.....	average in dollars	.....	.....	.....	.....	.....	a 1.277	1.155	.....	+10.6
weekly.....	average in dollars	.....	.....	.....	.....	.....	a 54.84	53.32	.....	+2.9
Hours per wage earner.....	average per week	.....	.....	.....	.....	.....	a 42.4	45.5	.....	-6.8
<b>Class I railroads<sup>2</sup></b>										
Earnings, hourly.....	average in dollars	.....	.....	.....	1.175	1.189	1.174	.970	-1.2	+21.1
weekly.....	average in dollars	.....	.....	.....	59.42	58.11	59.71	50.21	+2.3	+18.3
"Real" weekly earnings.....	1923=100	.....	.....	.....	166.9	170.9	172.1	159.3	-2.3	+4.8
Hours per wage earner.....	average per week	.....	.....	.....	50.6	48.9	50.8	51.8	+3.5	-2.3
<b>Agricultural wage rates per month<sup>3</sup> (BAE)</b>										
With board.....	average in dollars	94.80	.....	.....	96.40	.....	.....	85.90	-1.7	+10.4
Without board.....	average in dollars	88.40	.....	.....	91.40	.....	.....	80.20	-3.3	+10.2
New York City metro. area, seventeen manufacturing industries	average in dollars	106.00	.....	.....	104.00	.....	.....	95.30	+1.9	+11.2
<b>Earnings, hourly.....</b>										
weekly.....	average in dollars	1.303	1.293	1.286	1.257	1.252	1.247	1.138	+0.8	+14.5
Hours per production worker.....	average in dollars	53.81	53.92	52.73	51.54	51.33	51.13	47.57	-0.2	+13.1
.....	average per week	41.3	41.7	41.0	41.0	41.0	41.0	41.8	-1.0	-1.2

<sup>1</sup>Changes in Consumers' Price Index and Agricultural Wage Rates are quarterly.  
<sup>2</sup>Derived from Interstate Commerce Commission reports.

<sup>3</sup>As of first day of month.  
aJune, 1946.

pPreliminary  
rRevised



## Stability of Employment

THE labor turnover situation in December, 1946, was characterized by a continuation of a downward swing in both separation and accession rates. Approximately 41 workers were hired for every 1,000 employees as compared with 57 a month ago and 69 a year previous. Separations were 43 per 1,000, as compared with 49 in November, and 59 a year earlier. The quit rate declined from 40 per 1,000 employees last December to 29 in December, 1946, the lowest level since the first quarter of 1942.

At the beginning of the war, the impact of defense programs caused important changes in the labor market, and produced an abnormal instability of employment. The market was characterized by an increased demand for industrial workers, greater opportunities for reemployment, wholesale quitting of jobs for military service and defense plants, and an intensified competition for workers in all fields. By 1941, the quit rate rose to a point where voluntary separations exceeded layoffs; this situation has continued to the present date. By 1942, the annual quit rate was 451 per 1,000 as compared with 129 per 1,000 layoffs. Total separations and quits reached their peak in 1943 with 872 per 1,000 employees, of which 623 were quits. Accessions reached their highest point in 1942, at 916 per 1,000 employees.

With the cessation of hostilities, the shifting of workers from wartime to peacetime employment attained unprecedented proportions and turnover ratios reached new peaks. In August, 1945, separations totaled 179 for every 1,000 workers in manufacturing. Of this number, 62 quit, 7 were discharged, 107 were laid off, and 3 left to enter the Armed Services. A month earlier, the separation figure was close to 77 per 1,000, of which 15 were layoffs. This rate for all manufacturing reflected unparalleled reductions in the munitions division, although the nonmunitions group also shared in the layoffs. The highest layoff rate occurred in ordnance. An unprecedented rise in this rate from 49 per 1,000 in July to 415 in August indicates drastic production cuts in every single industry comprising this group.

However, the August quit rate of 62 per 1,000 was considerably above the July rate of 52. Aside from seasonal factors, this in part may be attributed to quits induced by expectation of war plant layoffs. Despite decreases in the accession rate for the munitions division, manufacturing as a whole continued to hire workers at an even higher rate than in July, largely because workers laid off by war industries were available, manpower controls were

relaxed, and reconversion was speedy in many industries.

Over the past year there has been a marked decline both in the rate of hiring new workers and of separations. From the fourth quarter of 1945, and through all of 1946, the general trend of labor turnover has been toward greater stability of employment. By

### Labor Turnover Rates in Manufacturing Industries

Source: Bureau of Labor Statistics  
Per 100 Employees

Period	Separations <sup>1</sup>					Accessions <sup>2</sup>
	Total <sup>1</sup>	Quits <sup>3</sup>	Military and Miscellaneous	Discharges <sup>4</sup>	Layoffs <sup>4</sup>	
1939.....	37.7	9.5		1.4	26.8	48.9
1940.....	40.3	10.9	1.6	1.8	25.9	52.7
1941.....	46.7	23.6	4.2	3.0	15.9	64.5
1942.....	77.7	45.1	15.0	4.7	12.9	91.6
1943a.....	87.2	62.3	10.8	7.1	7.0	89.6
1944.....	81.8	61.0	5.9	7.7	7.2	73.2
1945.....	99.7	61.0	3.7	7.3	27.7	75.8
1946.....	72.8	51.4	2.2	4.9	14.3	80.0
1945						
January.....	6.2	4.6	.3	.7	.6	7.0
February.....	6.0	4.3	.3	.7	.7	5.0
March.....	6.8	5.0	.4	.7	.7	4.9
April.....	6.6	4.8	.4	.6	.8	4.7
May.....	7.0	4.8	.4	.6	1.2	5.0
June.....	7.9	5.1	.4	.7	1.7	5.9
July.....	7.7	5.2	.4	.6	1.5	5.8
August.....	17.9	6.2	.3	.7	10.7	5.9
September.....	12.0	6.7	.2	.6	4.5	7.4
October.....	8.6	5.6	.2	.5	2.3	8.6
November.....	7.1	4.7	.2	.5	1.7	8.7
December.....	5.9	4.0	.2	.4	1.3	6.9
1946						
January.....	6.8	4.3	.2	.5	1.8	8.5
February.....	6.3	3.9	.2	.5	1.7	6.8
March.....	6.6	4.2	.2	.4	1.8	7.1
April.....	6.3	4.3	.2	.4	1.4	6.7
May.....	6.3	4.2	.2	.4	1.5	6.1
June.....	5.7	4.0	.2	.3	1.2	6.7
July.....	5.8	4.6	.2	.4	.6	7.4
August.....	6.6	5.3	.2	.4	.7	7.0
September.....	6.9	5.3	.2	.4	1.0	7.1
October.....	6.3	4.7	.2	.4	1.0	6.8
November.....	4.9	3.7	.1	.4	.7	5.7
December p.....	4.3	2.9	.1	.4	.9	4.1

<sup>1</sup>A separation is a termination of employment of any of the following kinds: quit, layoff, discharge, or miscellaneous. Transfers from one plant to another of the same company are not considered as accessions or separations.

<sup>2</sup>A quit is a termination of employment, generally initiated by the worker because of his desire to leave, but sometimes because of his physical incapacity.

<sup>3</sup>A discharge is a termination of employment at the will of the employer, with prejudice to the worker because of some fault on the part of the worker.

<sup>4</sup>A layoff is a termination of employment at the will of the employer, without prejudice to the worker and of a temporary indeterminate or permanent nature. However, a short, definite layoff with the name of the worker remaining on the payroll is not counted as a separation.

<sup>5</sup>An accession is the hiring of a new employee or the rehiring of an old employee. Transfers from one plant to another are not considered as accessions or separations.

pPreliminary

<sup>a</sup>Data on turnover rates since January, 1943, not strictly comparable with previously released data. The rates now refer to all employees rather than to wage earners only.



December, 1946, turnover of manufacturing workers on the job had declined to the lowest level since the prewar period.

For the most of 1946, accessions outweighed separations. The annual rate according to preliminary estimates was 800 per 1,000 employees, the highest since 1943. Separations were down to 728 per 1,000, as compared with the high of 997 a year earlier. The quit rate declined to 514 per 1,000, the lowest level since 1942, and layoff rates dropped almost one half from the high of 1945.

Despite this downward trend, the labor turnover is still substantially greater than it was before the war. In 1939, the rate of accessions and separations per 1,000 was slightly more than one half what it is today. Except for layoffs, which were 46% under the 1939 rate, all other causes for separations were above the prewar level.

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## Labor Press Highlights<sup>1</sup>

### *Cost of Living Index Attacked*

"The (BLS) cost of living index never actually showed the cost of living. . . . All it portrays is the debased standard of living," according to an article by Robert Kaplan in the *District 50 News* (UMWA). The index freezes conditions and "is the same as saying that because for years children in southern states had to drop out of school after the fourth grade to help their parents earn a living, the children of those states should continue to be denied any further education beyond the fourth or fifth grade."

### *Demand Tariff on Hats*

"We have never been isolationists in our concept of either the political or the economic relations with the nations of the world," states Dr. Alfred Braunthal in *The Hat Worker*, (UHCMWU-AFL). "We insist on a tariff on hats . . . because we know that countries abroad stimulated export of hats and hat bodies to this country by artificial means. . . . We feel . . . that unless we openly opposed these artificial and tricky measures, we would . . . submit them [our members] and the industries from which they derive their living to the danger of extinction."

### *Telephone Union Head Against Labor Curbs*

Joseph A. Beirne, president of the National Federation of Telephone Workers, has outlined reasons for the union's opposition to various legislative proposals to prohibit closed shop agreements, compulsory arbitration for public utilities,

<sup>1</sup>From the February labor press.

and restrictions on industry-wide bargaining. "Closed shop, union shop and maintenance of membership agreements are merely different ways of expressing the principle of democracy in labor relations," according to Mr. Beirne. "Given the choice of selection of a union by a majority of the persons voting in a particular bargaining unit, all of the members of that unit should be truly bound by that choice."  
—*The Telephone Worker* (NFTW-independent).

### *Senator Ives Speaks on Labor Legislation*

Unless unions themselves find a way of settling such issues as jurisdictional strikes, legislation of the sort opposing the closed shop and industry-wide bargaining is in the offing, says Senator Ives of New York. "Some of our unions are fine. . . . Restrictive legislation should not be necessary. But it won't hurt the majority of unions because they already file financial reports, they already have machinery for jurisdictional disputes and so on."—*Textile Labor* (TWUA-CIO).

### *Task of Labor Unions in India*

In an article entitled "Dangers to Trade Union Movement" in the *IFL Bulletin*, official publication of the Indian Federation of Labor, it is reported that "the trade union movement in this country has done little to educate the working class to appreciate its problems. . . . The effort has been to enrol blind followers and utilize their ignorance. . . . The task of the trade unions today should be not only to promote the immediate economic interest of their members but also to educate them politically so as to enable them to appreciate dangers inherent in communal or national politics."

### *AFL's Answer to Legislation*

The American Federation of Labor "will continue to oppose all legislation . . . that disturbs, menaces or destroys its free status; that limits collective bargaining; that erects legal barriers to stop the economic and social progress of all workers gainfully employed; that makes the legislative representatives of the people a police force for . . . financial interests," states a resolution of the AFL Executive Council concerning its official attitude on proposed labor curbs.—*Justice* (ILGWU-AFL).

### *Industrial Legislation Criticized*

A permanent industrial judge should administer industrial legislation and the Industrial Councils in South Africa should be closed down, according to an industrialist whose views are reported in the *Trade Union Bulletin* (Western Province Federation of Labor Unions). "After twenty-odd years, arguments, both political and economic, are becoming threadbare. . . . It appears that the business meant to be covered by industrial legislation has more or less reached saturation point."

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